

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE NOTICE OF PURCHASED)	
GAS ADJUSTMENT FILING OF)	CASE NO. 9911-G
PHELPS GAS COMPANY, INC.)	

O R D E R

On October 9, 1987, the Commission issued its Order in Case No. 9911 approving certain adjustments in rates and providing under certain conditions for the further adjustment of such rates when the wholesale cost of gas is increased or decreased or a refund is received.

On October 20, 1989, Phelps Gas Company, Inc. ("Phelps") notified the Commission that its wholesale cost of gas would be increased by its supplier, Columbia Gas of Kentucky, Inc. ("Columbia"), effective October 6, 1989, and submitted with its notice certain information in compliance with its purchased gas adjustment clause on file with this Commission.

After reviewing the record in this case and being otherwise sufficiently advised, the Commission finds that:

(1) Phelps' notice of October 20, 1989 set out certain revisions in rates which Phelps proposed to place into effect, said rates being designed to pass on the wholesale increase in price from its supplier in the amount of \$482 or 2.64 cents per Mcf.

(2) Phelps' wholesale cost of gas was increased by Columbia effective October 6, 1989.

(3) Phelps requested a waiver of the 30-day filing requirement. Pursuant to KRS 278.180, upon Phelps' showing of good cause, Phelps' effective date for the increase should be November 9, 1989. Phelps had requested an effective date of October 6, 1989. However, this would not satisfy its 20-day minimum notice requirement under KRS 278.180.

(4) Phelps' adjustment in rates under the purchased gas adjustment provision approved by the Commission in its Order in Case No. 9911 dated October 9, 1987 is fair, just, and reasonable and in the public interest and should be effective with gas supplied on and after November 9, 1989.

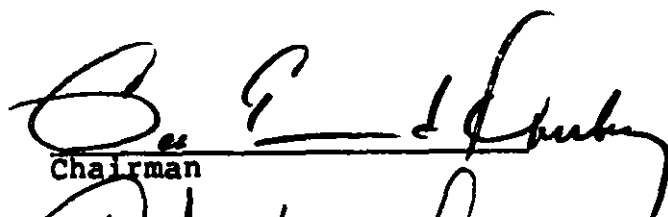
IT IS THEREFORE ORDERED that:

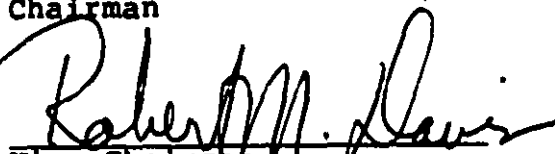
(1) The rates in the Appendix, attached hereto and incorporated herein, are fair, just, and reasonable and are approved effective with gas supplied on and after November 9, 1989.

(2) Within 30 days of the date of this Order, Phelps shall file with this Commission its revised tariffs setting out the rates authorized herein.

Done at Frankfort, Kentucky, this 8th day of November, 1989.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman

Commissioner

ATTEST:

Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE PUBLIC SERVICE COMMISSION IN CASE NO. 9911-G DATED November 8, 1989.

The following rates are prescribed for the customers served by Phelps Gas Company, Inc. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under the authority of the Commission prior to the effective date of this Order.

RATES: Monthly

First 1 Mcf	\$7.9837 Minimum Bill
Over 1 Mcf	6.3173 Per Mcf

The base rate for the future application of the purchased gas adjustment clause of Phelps Gas Company, Inc. shall be:

Commodity

Columbia Gas of Kentucky, Inc.	\$3.7776 per Mcf
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